VZCZCXYZ0000 OO RUEHWEB

DE RUEHKT #2007/01 2071225 ZNY CCCCC ZZH O 261225Z JUL 06 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 2514 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 4616 RUEHLM/AMEMBASSY COLOMBO PRIORITY 4870 RUEHKA/AMEMBASSY DHAKA PRIORITY 9987 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2859 RUEHLO/AMEMBASSY LONDON PRIORITY 4266 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0039 RUCNDT/USMISSION USUN NEW YORK PRIORITY 1880 RUEKJCS/SECDEF WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L KATHMANDU 002007

SIPDIS

SIPDIS

E.O. 12958: DECL: 07/26/2016
TAGS: <u>PGOV</u> <u>PTER</u> <u>PREL</u> <u>UNGA</u> <u>NP</u>

SUBJECT: FOREIGN MINISTER TAKES A STRONG LINE AGAINST THE

MAOISTS

REF: KATHMANDU 1984

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Summary

11. (C) On July 25, the Ambassador met with Foreign Minister and Deputy Prime Minister K.P. Oli to discuss the current situation in Nepal. Oli complained that he had been blasted from both within and without the government for his hard stance against the Maoists. Oli also expressed concern about the Maoists coming into the interim government before arms management was complete. Oli told us that the Prime Minister's (PM) health continued to be poor. Oli confirmed to us that he would be leading the Government of Nepal (GON) delegation to the United Nations General Assembly (UNGA) and asked for high level meetings with USG officials during the UNGA. End Summary.

Oli Takes Tough Stance On Maoists

- 12. (C) On July 25, the Ambassador met with Foreign Minister and Deputy Prime Minister K.P. Oli to discuss the current situation in Nepal. Oli told the Ambassador that he had received much support from outside the government lately, but not from within the government. Oli suggested that the GON should have an "organized ideological position" on the formation of an interim government and should stand strong by that position vis-a-vis the Maoists. He stressed that this position needed to be formulated before the Maoists entered into any type of interim government.
- 13. (C) The Ambassador asked about the letter Prachanda wrote to the United Nations on behalf of the Maoists (reftel); Oli replied that the letter was not an official letter and should not be given the same legitimacy as a letter from the GON. Oli acknowledged Prachanda's right as a citizen of Nepal to write a letter to whomever he wanted, but stressed that requesting assistance from the UN was the task of the government, not of individual political parties.

How To Form An Interim Government?

¶4. (C) Oli stated that many within the government were unclear about what an interim government should be or how it would be formed. Oli said that dissolving Parliament would be the wrong choice. He stressed that Parliament was an elected group who represent the people, and replacing it with a group of unelected individuals to run the country in the interim would be a bad idea. Oli suggested that the GON could offer up to 25 out of the 60 seats of the Upper House of Parliament to the Maoists. Oli said this would solve the problem of allowing unelected Maoists into Parliament since the Upper House is elected by the House of Representatives. Oli said that with this solution the Maoists could be in Parliament and be part of the creation of the interim constitution without the dissolution of the existing Parliament. Oli was concerned that if Parliament were dissolved, there would be confusion over where the sovereignty of the country would lie.

Arms Management Is Still An Issue

15. (C) Oli said that it would be difficult to form an interim government without managing Maoist arms, but that people in the current government were too busy trying to assure their positions in an interim government to focus fully on the arms issue. Oli said that if there were an election to a constituent assembly while the Maoists retained their arms, then the Maoists would win and "capture the country." Oli implied that, although he was pushing for arms management before moving forward, he was nervous that the government may decide to move forward before managing weapons, which he thought a bad idea. Oli acknowledged, however, that he and the PM would insist that a UN team visiting Nepal discuss the issue of the Maoists giving up their weapons before coming

into the government.

Prime Minister's Health Is Poor

16. (C) Oli said that the PM continued to be in poor health. Oli stated that the PM chaired a cabinet meeting on July 24, but attended for less than ten minutes before he had to leave due to his health. Oli said that the PM was angry with him over a miscommunication about Oli's comments on his leadership, and had come to the cabinet meeting to express this displeasure. Oli said the PM's personality was so strong that no one could take his place and succeed. Oli implied that, since the PM was currently not physically capable of running the country himself, the government should be making decisions in the PM's name and using his strong image to get things done. Oli stated that in the absence of the PM, the country would face "great difficulties."

Oli Leading Nepal's UNGA Delegation

17. (C) Oli informed the Ambassador that he would be leading Nepal's delegation to the UNGA in September. He asked for assistance to arrange meetings at "the highest possible level" with USG officials while at the UNGA. Oli stressed the importance of receiving high-level recognition and contact at the UNGA in order to underscore the government's legitimacy and international support as it tried to move the country toward a democratic future.

Comment/Action Request

¶8. (C) Despite a considerable amount of hand wringing, Oli implied that the GON would maintain a strong position against the Maoists entering an interim government until after arms management. Oli is an intelligent and well-spoken interlocutor; we enthusiastically endorse his request for meetings at the highest possible level during the UNGA. We need to show our support for those who want Nepal's transition to democracy to succeed.

MORIARTY